

ATTACHMENT L - 3 COST TEMPLATE INSTRUCTIONS

Attachment L-3
Cost Template Instructions

NOTE: The font size requirements specified in L.8.5.3 do not apply to cost price templates.

Rate Development Template (RDT)

1. In column B, enter the “Direct Labor (\$)” rate for each labor category.

NOTE: The “Direct Labor (\$)” rate is defined as the Contract Labor Category hourly salary rate, i.e. annual salary divided by 2,080 hours.

Calculation: The template duplicates the “Direct Labor (\$)” entry for each labor category on the Work Package Cost Template (WPCT) – Sheet 2.

2. In Column D, enter the “Burden (%)” for each labor category. For example, enter the numerals five and zero for 50%.

NOTE: The “Burden (%)” accounts for health and welfare benefits, statutory expense, other indirect expense, general and administrative (G&A) expense and profit. The burden rate is applied to full time equivalent hours, i.e., hours based on a 2,080-hour person-year.

Calculation: The template computes “Burden (\$)” [Column C] and the Fully Burdened Rate “FBR (\$)” [Column E] for Contract Year 1 (Base).

3. In Column F, enter the “Annual Escalation (%)” for each labor category. For example, enter the numeral four for 4%.

NOTE: The “Annual Escalation (%)” is an estimate of anticipated cost increases and is applied to each of the four option years.

Calculation: The template computes the escalated Fully Burdened Rate “FBR (\$)” for each of the four option years [Columns G through J].

Work Package Cost Template (WPCT)

4. In Column B, enter the number of direct hours for each labor category for Contract Year 1 “CY1”.

NOTE: Direct hours are defined as the total hours one person – one full time equivalent (FTE) – delivers in one year, i.e., 2,080 hours per FTE per year.

Calculation: On WPCT - Sheet 1, the template duplicates the contract year 1 hours for each of the four option years [Columns C through F] and sums the “CY1” through “CY5” data to compute the “CY1-5 Total” [Column G]. On WPCT - Sheet 3, the template computes the “Labor Cost” for each labor category and sums the cost by labor category (row) and contract year (column) as well as sums the “CY1-5 Total” [Column G].

5. In Column B on Sheet 4, enter 0 (zero) or the amount of Base Fee if a fee for service approach to WBS 15.0, Building and Development, is proposed.

Calculation: On WPCT - Sheet 4, the template extends the Base Fee to the four option years and sums the CY 1-5 and "Total Fully Burdened Cost plus Base Fee" totals.

Phase-In Template (PIT)

1. In Row 2 following the title, "Prime Contractor," enter your company name.

2. Beginning in Row 10:

a. In Column A, under the heading "Direct Labor (DL): Phase-in Skill Mix" enter the job title or labor classification of each position on your phase-in team, e.g., Phase-in Manager or Accountant II.

b. In Column B, under the heading "Hours" enter the number of hours each position or labor classification will deliver during your proposed phase-in period.

c. In Column C, under the heading "Fully Burdened Rate (FBR)" enter the hourly rate for each position or labor classification.

Calculation: The template calculates the fully burdened labor cost for each position or labor classification, i.e., multiplies the number of hours by the fully burdened hourly rate. And, the template calculates the Total Direct Labor hours and cost, i.e., the sum of hours entered in Column B and costs calculated in Column D.

3. For Non-labor Resources (NLR):

a. In Column B, following the heading "Material/Supplies/Equipment" enter a brief description of the material or supplies to be consumed and any equipment to be purchased for use during the phase-in period. And, in Column D, enter the total cost of these materials, supplies and equipment. Provide an itemized list of phase-in Material/Supplies/Equipment with associated costs in the Cost Proposal narrative.

b. In Column B, following the heading "Travel/Training" enter a brief description of the travel and training to be performed during the phase-in period. And, in Column D, enter the total cost of this travel and training. Provide an itemized list of the travel and training with associated costs in the Cost Proposal narrative.

c. In Column B, following the heading "Service Agreements, Outsourcing & Consultant Fees" enter a brief description of any purchased services to be used during the phase-in period. And, in Column D, enter the total cost associated with these services. Provide an itemized list of these services with associated costs in the Cost Proposal narrative.

d. In Column B, following the heading "Employee Relocation" enter a brief description of any personnel relocations to be accomplished during the phase-in period. And, in Column D enter the total cost of these relocations. Provide an itemized list of personnel relocations with associated costs in the Cost Proposal narrative.

e. In column B, following the heading "Other" enter a brief description of any other phase-in activities and, in Column D enter the total cost of these activities. Provide an itemized list of these "Other" phase-in activities with associated costs in the Cost Proposal narrative.

Calculation: The template calculates the Total Non-Labor Resource cost, i.e., sums the individual NLR cost entered during steps "a" through "e" above.

Calculation: The templates sums "Total Direct Labor" cost and "Total Non-labor Resources" cost to calculate the total "Phase-in Cost."

4. In column D, following the heading "Profit" enter the amount of profit earned during the phase-in period.

Calculation: The templates sums "Phase-in Cost" and "Profit" to calculate the total "Phase-in Price." Phase-in shall be proposed on a firm fixed price basis.

Fringe Benefit Cost Analysis (TCA)

1. Under the heading, "Fringe Benefit Cost Analysis (TCA)" place an "X" in the brackets before "Prime Contractor" or "Major Subcontractor", as appropriate, and, after the colon, enter the company name.

2. For each "Health and Welfare" benefit category, enter the average cost % per annual wage for exempt (Column B), non-exempt (Column C) and part-time (Column D) employees.

Calculation: The template sums the average cost % per annual wage entries to compute the total health and welfare cost % for exempt, non-exempt and part-time employees.

NOTE: If your company offers Health and Welfare Benefits not listed on this worksheet, replace the label "Other (Identify)" with the benefit title (Column A) and complete the average cost per labor hour entries (Columns B, C and D). See instructions for TCB.

Fringe Benefit Policies (TCB)

1. Under the heading, "Fringe Benefit Policies (TCB)" place an "X" in the brackets before "Prime Contractor" or "Major Subcontractor", as appropriate, and, after the title, enter the company name.

2. In the cells to the right of each benefit, enter a brief description of your company's policies as they apply to exempt, non-exempt and part-time employees.

NOTE: If your company offers Health and Welfare Benefits not listed under this category, replace the label "Other (Identify)" with the benefit title (Column A) and enter the benefit descriptions (Columns B, C and D). See instructions for TCB.